



Utah Labor Market Report

July 2002, Volume 12, Number 6

Current Indicators

Utah's unemployment rate for May moved downward to 5.3 percent. This is a noticeable movement compared against April's 5.7 percent reading. Approximately 60,700 Utahns were unemployed in May 2002, a 32-percent increase from the 46,100 in May 2001, when the rate was 4.1 percent.

Utah's other primary indicator of current labor market conditions, the year-over change in the number of non-farm wage and salaried jobs, continues moving downward. A loss of 14,900 jobs, or -1.4 percent, is the preliminary employment measurement for May 2002. April's measurement has been revised downward from its preliminary -1.2 percent, now reading -1.4 percent.

For the United States, the May 2002 unemployment rate moved down two-tenths of a point to 5.8 percent. The number of unemployed persons (8.4 million) and the unemployment rate (5.8 percent) were little changed over the month. The May unemployment rate is 1.9 percentage points above its most recent low of 3.9 percent in October 2000, and the number of unemployed persons is 2.8 million higher. U.S. nonfarm employment still is not reflecting gains. Nonfarm employment remains down by 1.0 percent below May 2001's total.

In Utah, the economic picture remains unchanged in that it is still the same industries that are losing jobs. These include mining, construction, manufacturing, transportation/communications/ utilities, and trade. The finance/insurance/real estate division is a change in that it now has no change — it is showing the same employment this May as last year. Only services and government are industrial divisions adding new workers.

Industry-by-Industry

The most lost jobs are in manufacturing, numbering around 7,300 year-over. There are many sub-divisions within manufacturing, but it's difficult to find any that are growing. It's pretty much job losses across the entire manufacturing spectrum. Leading U.S. economic indicators suggest that the manufacturing division is on the verge of righting itself and starting a comeback. If so, it will be welcome news for Utah.

Construction is the next big job-loss industry, dropping close to 6,200 year-over jobs. This should be the theme of construction employment as 2002 progresses. This industry still employs over 64,000 Utahns, but the lofty run construction had throughout the 1990's and the peak it reached last year has become unsustainable. Slow economies mean less commercial building. Fortunately, residential construction remains steady, and this may help temper this industry's employment slide.

The industry conglomeration of transportation/communications/utilities (T.C.U.) adds to the economic woes. Although employing over 58,000 workers in Utah, it's still about 2,100 less than May 2001. Trucking jobs are fewer, and the communications industry is in the midst of a major economic correction, so these are the soft spots.

The trade industry is Utah's second largest employment division, behind services, employing around 247,400 workers. This industry is also not helping the economic picture, as it shows 4,100 fewer year-over jobs. Both the wholesale and the retail sub-divisions are losing workers. Food stores, department stores, home and garden stores, furniture stores, and even restaurants don't have as many people on their pay-rolls as a year ago.

One of only two bright spots on the economic landscape is government. It is a significant employer in Utah, with approximately 197,000 workers, and it added about 3,000 new workers to its ranks. Most of this is in response to the ever-increasing education needs in Utah, where the state and local governments are continuously challenged to keep up with the state's expanding school-age population. Economic downturns make this task even more daunting.

Finally we come to services, the largest employment division. As long as we keep seeing growth within this industry, then the economy's keystone industry offers some stability in the storm. Employing nearly 316,000 Utahns, this industry added around 2,200 new year-over jobs. It's a mixed bag, as some services subdivisions lost jobs, such as business services and hotels. But gains in health care, management services, and recreation services combined to keep this industry on the positive side of the ledger.

Salt Lake-Ogden MSA

The Salt Lake-Ogden metro area's economy largely mirrors the overall state profile. The employment contraction is slightly less severe at 1.1 percent. Excluding the government sector, which is one of the few growth areas, private sector employment is down by 1.7 percent. The same weak industries statewide — construction, manufacturing, T.C.U., and trade — affect this region.

Provo-Orem MSA

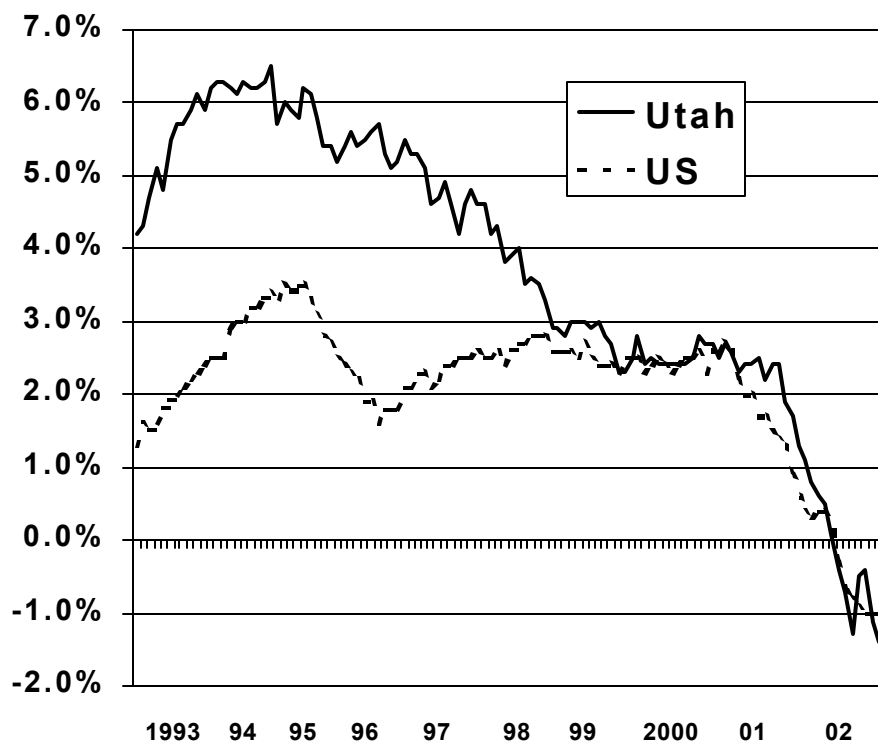
The Provo-Orem area continues as the metropolitan area of largest decline. May's year-over employment total is down 2.6 percent. The closure of Geneva Steel has a lot to do with this, as the area's overall manufacturing employment is down 9.7 percent. Construction employment, though still historically high, is also falling — down nearly 2 percent. Services used to be this area's power-growth division, but has now slipped into declining numbers, falling by a hefty 3.6 percent. Computer-related businesses have been hit hard in this national downturn, and the Provo-Orem area has seen its share of closures and cutbacks.

Around Utah

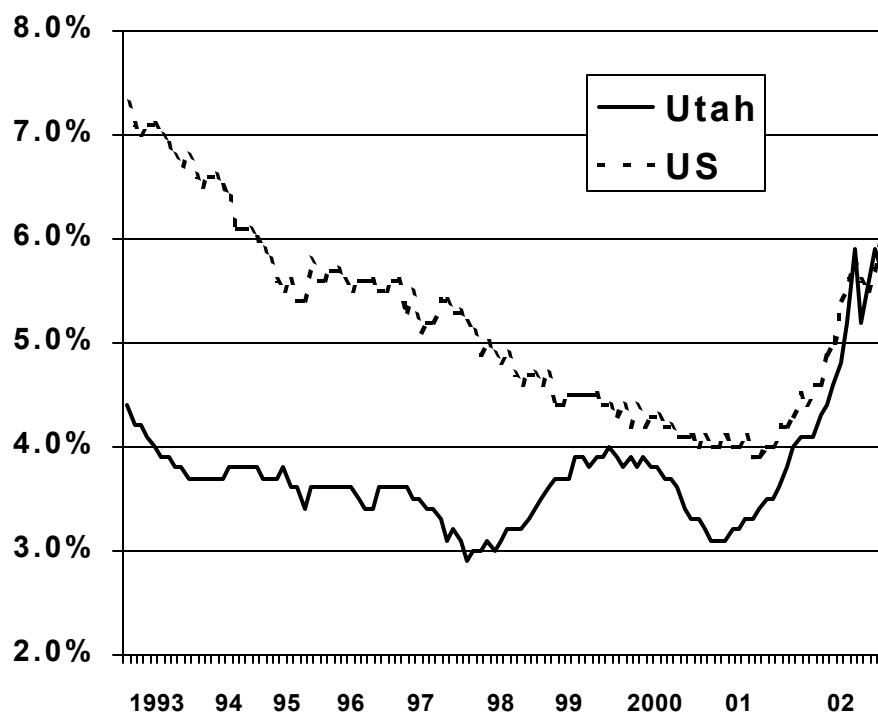
Outside of the metropolitan corridor, Utah's employment picture is a mixed bag. New employment numbers for the first quarter of 2002 show that the growth the Uintah Basin had been enjoying with the previous year's oil-and-gas boom has run its course. Employment is flat in Duchesne County, and Uintah County is seeing a sharp drop in employment. Washington and Iron counties are holding their own in the state's southwest corner. Up north, Cache County has lost some jobs, but Box Elder County continues showing year-over employment gains.

Mark Knold
Senior Economist
mknold@utah.gov

Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates



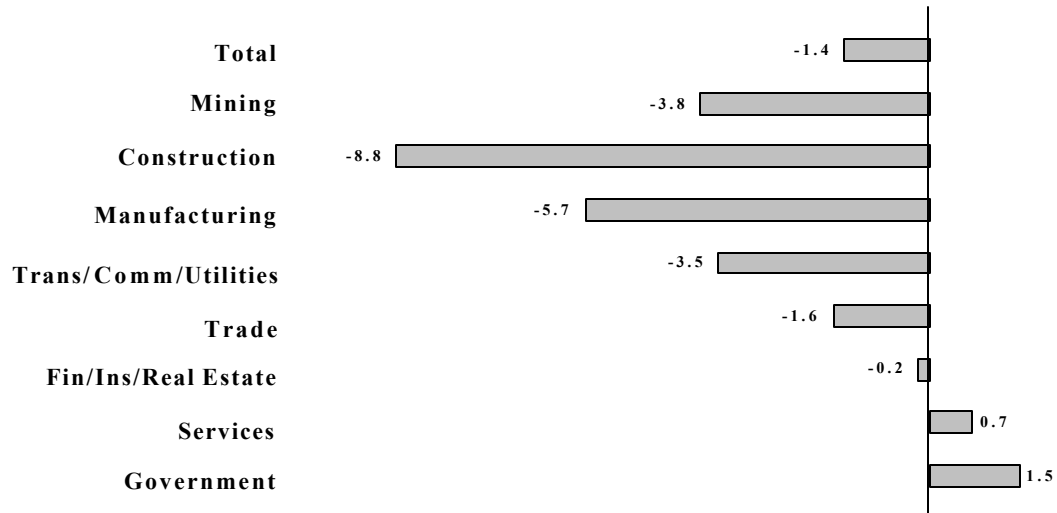
Utah Nonagricultural Jobs by Industry and Components of the Labor Force

Numbers are in thousands and are not seasonally adjusted.	May (p) 2002	May 2001	Percentage Change	April (p) 2002	April 2001	Percentage Change
CIVILIAN LABOR FORCE	1,140.0	1,104.6	3.2	1,138.9	1,099.0	3.6
Employed	1,079.5	1,058.9	1.9	1,075.9	1,056.3	1.9
Unemployed	60.5	45.7	32.4	63.0	42.7	47.5
Unemployment Rate	5.3	4.1		5.5	3.9	
NONAGRICULTURAL EMPLOYMENT	1,069.8	1,084.7	-1.4	1,069.1	1,083.8	-1.4
Mining	7.7	8.0	-3.8	7.7	7.9	-2.5
Metal Mining	1.8	2.2	-18.2	1.8	2.2	-18.2
Bituminous Coal Mining	1.4	1.5	-6.7	1.4	1.5	-6.7
Other Mining	4.5	4.3	4.7	4.5	4.2	7.1
Construction	64.2	70.4	-8.8	62.8	67.6	-7.1
Manufacturing	120.0	127.3	-5.7	119.7	127.4	-6.0
Durable Goods	79.6	84.6	-5.9	79.3	84.8	-6.5
Primary Metals	4.2	5.6	-25.0	4.2	5.6	-25.0
Fabricated Metals, Machinery, & Computers	19.0	21.5	-11.6	19.0	21.5	-11.6
Electrical/Electric Equipment (ex. Computers)	8.0	8.7	-8.0	8.1	8.8	-8.0
Transportation Equipment	12.9	14.3	-9.8	12.9	14.3	-9.8
Other Durable Goods	35.5	34.5	2.9	35.1	34.6	1.4
Non-durable Goods	40.4	42.7	-5.4	40.4	42.6	-5.2
Food & Kindred Products	12.5	12.6	-0.8	12.5	12.5	0.0
Other Non-durable Goods	27.9	30.1	-7.3	27.9	30.1	-7.3
Transportation, Communication, & Utilities	58.5	60.6	-3.5	58.3	60.8	-4.1
Railroad Transportation	1.8	1.9	-5.3	1.8	1.9	-5.3
Trucking & Warehouse	19.5	20.6	-5.3	19.4	20.8	-6.7
Transportation by Air	15.2	15.0	1.3	15.2	15.1	0.7
Other Transportation & Related Services	5.1	5.4	-5.6	5.0	5.4	-7.4
Communications	10.1	10.8	-6.5	10.2	10.7	-4.7
Electricity, Gas, & Sanitary Services	6.8	6.9	-1.4	6.7	6.9	-2.9
Trade	247.4	251.5	-1.6	246.4	250.1	-1.5
Wholesale Trade	50.4	51.3	-1.8	50.2	51.1	-1.8
Retail Trade	197.0	200.2	-1.6	196.2	199.0	-1.4
Food Stores	29.6	31.2	-5.1	29.4	31.3	-6.1
Auto Dealers/Parts Stores, & Gas Stations	24.4	22.9	6.6	24.3	22.6	7.5
Eating & Drinking Places	66.5	66.6	-0.2	66.1	65.6	0.8
Home Furniture/Equipment & Clothing Stores	19.4	19.4	0.0	19.4	19.6	-1.0
Gen. Merchandise, Building & Garden Supply	31.8	34.3	-7.3	31.9	34.0	-6.2
Miscellaneous Retail	25.3	25.8	-1.9	25.1	25.9	-3.1
Finance, Insurance, & Real Estate	59.4	59.5	-0.2	59.4	59.2	0.3
Depository Institutions	16.9	17.3	-2.3	16.9	17.1	-1.2
Other Finance, Insurance, & Real Estate	42.5	42.2	0.7	42.5	42.1	1.0
Services	315.6	313.4	0.7	318.8	316.8	0.6
Hotels & Other Lodging Places	18.4	18.9	-2.6	18.7	19.5	-4.1
Personal, Entertainment & Recreational	37.7	32.8	14.9	37.9	34.3	10.5
Computer-Related Business Services	25.2	28.5	-11.6	25.0	28.8	-13.2
Other Business Services	57.1	58.4	-2.2	57.3	57.7	-0.7
Auto Repair/Rental/Parking	11.1	11.4	-2.6	11.2	11.3	-0.9
Health Services	68.8	67.9	1.3	68.7	67.6	1.6
Education, Social, & Membership Organizations	54.3	52.7	3.0	57.9	56.1	3.2
Legal & Miscellaneous Services	6.3	6.2	1.6	6.3	6.1	3.3
Engineering, Accounting & Management	25.2	24.9	1.2	24.8	24.7	0.4
Other Repair, Ag. Services, & Museums	11.5	11.7	-1.7	11.0	10.7	2.8
Government	197.0	194.0	1.5	196.0	194.0	1.0
Federal Government	34.4	34.1	0.9	33.8	34.0	-0.6
U.S. Defense	14.2	13.7	3.6	14.1	13.6	3.7
Other Federal	20.2	20.4	-1.0	19.7	20.4	-3.4
State Government	58.9	58.9	0.0	60.1	60.1	0.0
State Schools	32.6	31.5	3.5	33.8	32.8	3.0
Other State	26.3	27.4	-4.0	26.3	27.3	-3.7
Local Government	103.7	101.0	2.7	102.1	99.9	2.2
Local Education	63.3	62.2	1.8	62.9	62.1	1.3
Other Local	40.4	38.8	4.1	39.2	37.8	3.7
Private Sector	872.8	890.7	-2.0	873.1	889.8	-1.9

Source: Utah Department of Workforce Services, Workforce Information; 7/1/02.

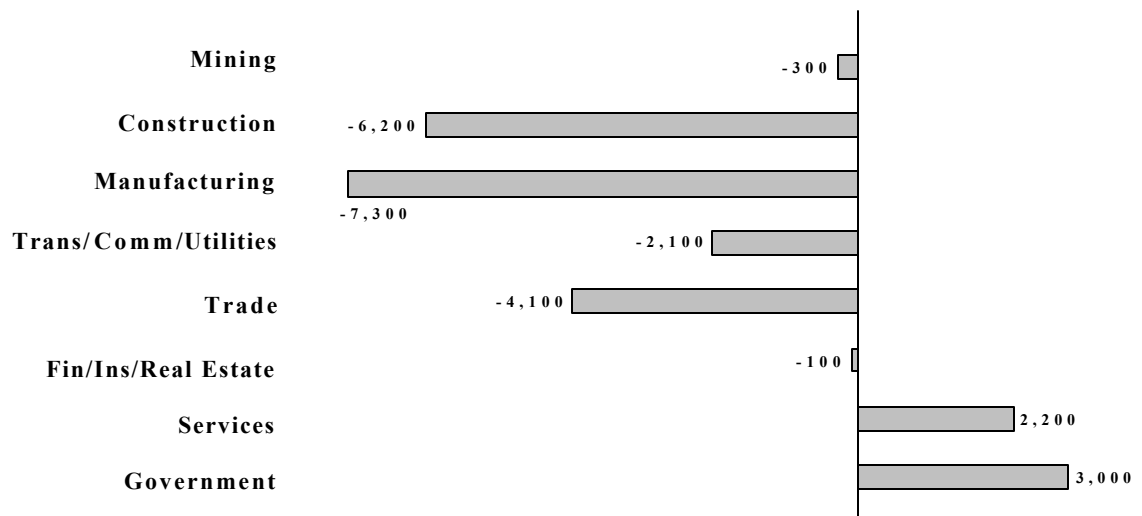
f = forecast p = preliminary

Utah Nonfarm Job Growth (Percent Change) May 2001 – 2002



Source: Utah Department of Workforce Services

Utah Nonfarm Employment Changes May 2001 – 2002



Source: Utah Department of Workforce Services

**NONAGRICULTURAL EMPLOYMENT BY INDUSTRY and COMPONENTS OF THE LABOR FORCE
OF UTAH'S METROPOLITAN AREAS**

Numbers are in thousands, <u>not seasonally adjusted.</u>	Salt Lake City - Ogden MSA					Provo - Orem MSA				
	May		Percent Change	April 2002(p)	March 2002(p)	May		Percent Change	April 2002(p)	March 2002(p)
	2002(p)	2001				2002(p)	2001			
Civilian Labor Force	724.8	704.7	2.9	725.0	728.4	172.6	168.2	2.6	176.2	177.4
Employed	688.3	675.9	1.8	685.5	685.7	163.4	162.2	0.7	166.2	166.2
Unemployed	36.5	28.8	26.7	39.5	42.7	9.2	5.9	55.9	9.9	11.2
Unemployment Rate	5.0	4.1	--	5.5	5.9	5.3	3.5	--	5.7	6.3
Total Nonagricultural Employment	714.9	723.0	-1.1	711.8	710.4	148.6	152.6	-2.6	151.4	151.3
Mining	2.3	2.7	-14.8	2.3	2.2	0.1	0.1	0.0	0.1	0.1
Construction	42.4	45.3	-6.4	41.1	40.4	10.4	10.6	-1.9	10.0	9.8
Manufacturing	76.8	80.2	-4.2	76.8	77.1	16.8	18.6	-9.7	16.8	16.9
Durable Goods	52.2	54.9	-4.9	52.1	52.4	9.5	11.0	-13.6	9.5	9.5
Non-durable Goods	24.6	25.3	-2.8	24.7	24.7	7.3	7.6	-3.9	7.3	7.4
Trans., Comm., & Utilities	45.8	47.7	-4.0	45.7	45.8	2.5	2.6	-3.8	2.5	2.5
Trade	164.7	167.4	-1.6	163.2	162.8	33.0	33.9	-2.7	32.7	32.7
Wholesale Trade	39.8	40.3	-1.2	39.5	39.6	5.4	5.7	-5.3	5.4	5.4
Retail Trade	124.9	127.1	-1.7	123.7	123.2	27.6	28.2	-2.1	27.3	27.3
Finance, Insur., & Real Estate	49.3	48.8	1.0	49.3	49.5	5.1	4.8	6.3	5.1	5.0
Services	207.9	207.0	0.4	208.2	207.7	58.2	60.4	-3.6	61.6	61.9
Government	125.7	123.9	1.5	125.2	124.9	22.5	21.6	4.2	22.6	22.4
Federal Government	28.1	27.6	1.8	27.9	27.9	1.1	1.1	0.0	1.0	1.0
State Government	41.0	40.7	0.7	41.4	41.2	5.4	5.1	5.9	5.8	5.8
Local Government	56.6	55.6	1.8	55.9	55.8	16.0	15.4	3.9	15.8	15.6
Private Sector	589.2	599.1	-1.7	586.6	585.5	126.1	131.0	-3.7	128.8	128.9

Notes: The Salt Lake City-Ogden Metropolitan Statistical Area (MSA) is comprised of Salt Lake, Davis, and Weber counties.

The Provo-Orem MSA is Utah County.

Source: Utah Department of Workforce Services, Workforce Information, 07/1/02.

HOURS AND EARNINGS - UTAH

Hours and Earnings for Production and Nonsupervisory Personnel

	Average Hourly Earnings				Average Weekly Hours				Average Weekly Earnings			
	May		% Chg.	April 2002(r)	May		% Chg.	April 2002(r)	May		% Chg.	April 2002(r)
	2002(p)	2001			2002(p)	2001			2002(p)	2001		
Mining	\$18.31	\$18.53	-1.2	\$18.10	45.6	43.3	5.3	47.6	\$834.94	\$802.35	4.1	\$861.56
Metal Mining	19.65	18.83	4.4	19.50	44.8	46.0	-2.6	44.5	880.32	866.18	1.6	867.75
Manufacturing	14.20	13.72	3.5	14.19	37.6	39.1	-3.8	37.0	533.92	536.45	-0.5	525.03
Durable Goods	14.80	14.34	3.2	14.62	37.6	39.4	-4.6	37.2	556.48	565.00	-1.5	543.86
Primary Metals	22.45	20.82	7.8	22.55	40.9	43.5	-6.0	41.0	918.21	905.67	1.4	924.55
Fabricated Metal Prod. & Mach.	15.13	14.50	4.3	14.63	36.5	36.9	-1.1	36.1	552.25	535.05	3.2	528.14
Transportation Equipment	18.72	17.21	8.8	18.99	43.7	41.7	4.8	42.4	818.06	717.66	14.0	805.18
Nondurable Goods	12.89	12.27	5.1	13.20	37.6	38.4	-2.1	36.5	484.66	471.17	2.9	481.80
Food and Kindred Products	12.75	11.68	9.2	12.66	38.2	40.7	-6.1	36.0	487.05	475.38	2.5	455.76
Trade	11.32	10.93	3.6	11.39	29.5	30.2	-2.3	29.0	333.94	330.09	1.2	330.31
Wholesale	13.80	13.68	0.9	14.09	38.9	41.1	-5.4	38.8	536.82	562.25	-4.5	546.69
Retail	10.52	10.00	5.2	10.50	27.4	27.7	-1.1	26.8	288.25	277.00	4.1	281.40
General Merchandise	9.97	10.33	-3.5	10.26	30.8	29.3	5.1	29.9	307.08	302.67	1.5	306.77
Food Stores	11.16	11.02	1.3	11.30	29.0	29.1	-0.3	28.8	323.64	320.68	0.9	325.44

HOURS AND EARNINGS - Salt Lake City - Ogden MSA

	Average Hourly Earnings				Average Weekly Hours				Average Weekly Earnings			
	May		% Chg.	April 2002(r)	May		% Chg.	April 2002(r)	May		% Chg.	April 2002(r)
	2002(p)	2001			2002(p)	2001			2002(p)	2001		
Mining	\$19.37	\$18.73	3.4	\$19.08	41.9	42.1	-0.5	42.2	\$811.60	\$788.53	2.9	\$805.18
Manufacturing	14.46	13.65	5.9	14.51	35.3	37.4	-5.6	34.9	510.44	510.51	0.0	506.40
Durable Goods	14.49	13.63	6.3	14.43	34.4	36.8	-6.5	34.4	498.46	501.58	-0.6	496.39
Nondurable Goods	14.39	13.69	5.1	14.68	37.6	38.9	-3.3	36.1	541.06	532.54	1.6	529.95
Trade	11.61	11.33	2.5	11.68	29.9	30.6	-2.3	29.5	347.14	346.70	0.1	344.56
Wholesale	13.92	14.18	-1.8	14.28	37.2	39.7	-6.3	37.6	517.82	562.95	-8.0	536.93
Retail	10.73	10.20	5.2	10.65	27.8	28.0	-0.7	27.2	298.29	285.60	4.4	289.68

Source: Utah Department of Workforce Services, Workforce Information.

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	May 2002(p)	May 2001	Percent Change	April 2002(r)	March 2002(r)
State Total	1,069,800	1,084,582	-1.4	1,069,100	1,069,637
Bear River	60,118	60,543	-0.7	60,567	62,158
Box Elder	18,279	17,636	3.6	18,192	18,540
Cache	41,249	42,329	-2.6	41,876	43,131
Rich	590	578	2.1	499	487
Wasatch Front	727,944	736,475	-1.2	724,735	720,163
North	177,196	177,681	-0.3	175,750	173,729
Davis	88,340	88,174	0.2	86,565	85,005
Morgan	1,640	1,684	-2.6	1,593	1,582
Weber	87,216	87,823	-0.7	87,593	87,142
South	550,747	558,794	-1.4	548,984	546,434
Salt Lake	539,343	547,177	-1.4	537,642	534,800
Tooele	11,404	11,617	-1.8	11,342	11,634
Mountainland	167,355	171,282	-2.3	171,956	175,221
Summit	13,832	14,045	-1.5	15,837	18,166
Utah	148,600	152,467	-2.5	151,400	152,306
Wasatch	4,923	4,770	3.2	4,720	4,749
Central	21,550	22,096	-2.5	21,006	21,164
Juab	2,647	2,731	-3.1	2,552	2,583
Millard	3,575	3,557	0.5	3,509	3,563
Piute	261	302	-13.5	248	242
Sanpete	6,778	7,096	-4.5	6,570	6,647
Sevier	7,158	7,244	-1.2	7,056	7,117
Wayne	1,132	1,166	-2.9	1,071	1,012
Southwestern	57,178	57,640	-0.8	56,037	56,204
Beaver	1,899	1,914	-0.8	1,858	1,867
Garfield	2,120	2,427	-12.7	1,904	1,585
Iron	14,000	13,950	0.4	13,939	14,313
Kane	2,575	3,094	-16.8	2,402	2,269
Washington	36,583	36,255	0.9	35,934	36,170
Uintah Basin	14,936	15,641	-4.5	14,567	14,704
Daggett	500	481	3.9	421	354
Duchesne	5,208	5,190	0.4	5,061	5,080
Uintah	9,228	9,970	-7.4	9,085	9,270
Southeastern	20,719	20,905	-0.9	20,231	20,023
Carbon	8,711	8,600	1.3	8,702	8,876
Emery	3,412	3,621	-5.8	3,356	3,360
Grand	4,561	4,638	-1.7	4,253	4,026
San Juan	4,034	4,046	-0.3	3,920	3,761
Salt Lake-Ogden MSA	714,900	723,174	-1.1	711,800	706,947

p = preliminary r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 07/1/02.

Seasonally Adjusted Unemployment Rates

	May 2002 (f)	April 2002(p)	March 2002(r)	May 2001(r)
State Total	5.3	5.7	5.9	4.1
Bear River	4.0	4.6	5.2	3.7
Box Elder	5.7	6.8	7.4	5.2
Cache	3.4	3.8	4.4	3.1
Rich	3.7	5.1	5.5	3.2
Wasatch Front	5.4	5.7	6.0	4.2
North	5.7	5.3	5.6	4.3
Davis	4.8	4.6	4.8	3.7
Morgan	4.5	4.8	5.1	3.4
Weber	6.7	6.2	6.6	5.0
South	5.3	5.9	6.1	4.2
Salt Lake	5.2	5.8	6.0	4.1
Tooele	8.9	9.4	9.7	7.1
Mountainland	5.5	6.0	6.5	3.7
Summit	8.4	8.8	8.4	5.4
Utah	5.2	5.7	6.2	3.5
Wasatch	5.8	7.7	8.4	5.2
Central	5.9	6.5	7.5	5.2
Juab	6.9	8.0	8.4	5.0
Millard	5.4	5.9	6.3	4.8
Piute	6.2	5.9	7.4	10.8
Sanpete	6.7	7.5	9.1	5.9
Sevier	4.9	5.4	6.2	4.5
Wayne	5.1	4.7	5.7	4.6
Southwestern	4.3	4.6	5.1	4.2
Beaver	4.3	4.0	4.9	3.8
Garfield	12.1	12.5	15.1	9.7
Iron	5.1	5.3	5.5	4.7
Kane	3.8	6.0	4.4	3.3
Washington	3.6	3.7	4.2	3.8
Uintah Basin	5.9	6.5	6.9	4.8
Daggett	4.6	4.3	4.2	4.5
Duchesne	6.3	7.0	7.6	5.7
Uintah	5.7	6.3	6.6	4.4
Southeastern	7.3	7.1	8.0	7.7
Carbon	6.7	6.0	6.5	7.1
Emery	7.8	7.9	9.7	9.3
Grand	6.6	7.1	8.5	6.2
San Juan	8.9	8.9	8.9	9.3
Salt Lake-Ogden MSA	5.4	5.7	5.9	4.2
United States	5.8	6.0	5.7	4.4

f=forecast p=preliminary r=revised

Source: Utah Department of Workforce Services, Workforce Information.



Utah Department of Workforce Services
Economic Data Collection & Analysis
140 East 300 South, 1st Floor
P.O. Box 45249
Salt Lake City, UT 84145-0249



Utah!

Where ideas connect™

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128.

Visit our web site at <http://wi.dws.state.ut.us/>

UTAH LABOR MARKET REPORT

Raylene Ireland, Executive Director
James E. Finch, Deputy Director
Ronald M. Ahlstrom, Director, Workforce Information
Kimberley A. Bartel, Manager, Economic Data Collection & Analysis
Mark S. Knold, Senior Economist

The Utah Labor Market Report is published by the Utah Department of Workforce Services, 140 East 300 South, Salt Lake City, UT 84111. To order this publication, call (801) 526-9463.

This report is public domain and may be reprinted in part or whole without permission. Please cite the Utah Department of Workforce Services.

This report and many others are available on the web at

<http://wi.dws.state.ut.us/> Click on "Publications"

DWS 03-01-0702

NOTES

(f) - forecast

(p) - preliminary

(r) - revised

Salt Lake - Ogden Metropolitan
Statistical Area (MSA) -- Salt Lake,
Davis, and Weber counties.

Provo-Orem MSA -- Utah County

MISSION STATEMENT

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of the employers, job seekers, and the community.